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**NEWS RELEASE****Eurohold and EIG officially launched €500M arbitration proceedings against the Government of Romania**

**Sofia, 22 May 2024** - **Eurohold Bulgaria AD (Eurohold)** and **Euroins Insurance Group AD (EIG)** have officially filed a Request for Arbitration against the Government of Romania at the International Centre for Settlement of Investment Disputes (ICSID) in Washington, DC. The claim is in excess of EUR 500 million.

Eurohold and EIG have commenced the arbitration proceedings due to the failure of the Romanian state to observe its obligations under the bilateral investment treaty between Bulgaria and Romania, including its obligation to provide fair and equitable treatment to the companies. **EIG** has been one of the largest investors in the Romanian insurance market, having invested approx. EUR 280 million. **Eurohold** and **EIG** seek justice and redress for the multiple unlawful acts of the Romanian authorities, which have damaged **EIG**'s business in Romania, and completely destroyed it in the case of Euroins Romania. The acts of the Romanian authorities in this case impacted negatively the entire Romanian insurance market, including the insured and injured persons.

On 17 March 2023, ASF, the Romanian financial authority, unjustifiably withdrew the license of Euroins Romania. As **Eurohold** had previously announced, the decision of the regulator was arbitrary and discriminatory. It constituted an unlawful expropriation of Euroins Romania in a flagrant breach of EU and international law. The illegal decision of the ASF caused the bankruptcy of the Romanian insurer in June 2023, destroying the business operations of the company, previously a leader in the local insurance sector.

On 25 October, 2023, **Eurohold** and **EIG** sent a Notice of Dispute to the Romanian government, in which they requested amicable settlement of the dispute related to the case of Euroins Romania, without prejudice to the group's right to bring arbitration proceedings. The Romanian government has not used this option. *"As we have already informed all stakeholders, we would protect our investments by all legal and lawful means. The Romanian state decided not to address the issues we raised. Moreover, it did not even make an attempt to discuss the topic with us. In addition to this, the Romanian authorities fully neglected our constructive proposals to resolve the dispute and save damages and costs the ASF imposed on the Romanian citizens by illegally revoking the license of Euroins Romania. So, we are moving further with the arbitration proceeding as the next logical step."* clarified Todor Danailov, CEO of **EIG**.

**Eurohold** and **EIG** are advised in the arbitration proceedings by the leading multinational law firm Pinsent Masons as well as by Djingov, Gouginski, Kyutchukov & Velichkov (DGKV), one of the largest and most prominent law firms in Bulgaria.

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**Eurohold Bulgaria AD**

*Eurohold Bulgaria AD is a leading energy and financial group operating in Central, Eastern and Southeastern Europe. It is listed on the Bulgarian and Warsaw Stock Exchange. Eurohold owns*

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*Electrohold, a leading energy group in Bulgaria and owner of the largest power distributor, supplier and trader in the country that has 3000 employees and serves more than 3 million consumers. Eurohold also owns Euroins Insurance Group AD (EIG), a leading insurance group in the region, operating in 11 countries.*

[www.eurohold.bg](http://www.eurohold.bg); [www.eig.bg](http://www.eig.bg); [www.electrohold.bg](http://www.electrohold.bg)